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C O N F I D E N T I A L PANAMA 000937

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TAGS: [PGOV](#) [PM](#)

SUBJECT: PANAMA: MARTINELLI AHEAD BY DOUBLE DIGITS IN  
PRESIDENTIAL RACE

Classified By: POLCOUNS Brian R. Naranjo. Reasons: 1.4 (c) and (d).

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Summary  
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1. (C) Democratic Change (CD) presidential candidate Ricardo Martinelli has opened a ten-point lead over governing Revolutionary Democratic Party (PRD) presidential candidate Balbina Herrera, according to Panama City-based pollster Dichter and Neira's poll published in December. Panamenista Party presidential candidate Juan Carlos Varela continued to trail badly behind both Martinelli and Herrera, and Moral Vanguard of the Nation (VMP) presidential candidate and former President Guillermo Endara is on political life support. Herrera's decision to name her opponent in the PRD primary, Juan Carlos Navarro, as her vice presidential running mate does not appear to consolidated the PRD as she wished. Indeed, most political observers are struck by the degree to which the normally disciplined and unified PRD still has not fully closed ranks around Herrera. Winning the presidency of Panama requires any candidate to secure a significant percentage of votes from independents, but normally the PRD, Panama's largest party, needs to secure a much smaller portion than any opposition candidate would need. Unless she consolidates the PRD more solidly soon, Herrera may need to secure more independents than usual at a time when her own negatives are rising. For his part, Martinelli is benefiting from an "anybody but Balbina" bandwagon effect as opinion leaders, including from within the Panamenista Party, seek accommodation with the current front runner. As much of this bandwagoning has emerged after the sample for this poll was conducted, Post assesses that Martinelli's lead is likely to accelerate through December and that Dichter and Neira's January poll will likely reveal a wider Martinelli lead, a possibly recovering Herrera candidacy, and a collapsing Varela candidacy. End comment.

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Martinelli Pulls Ahead of Herrera  
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2. (SBU) Democratic Change (CD) presidential candidate Ricardo Martinelli pulled ahead of and built a double digit, 10-point lead over governing Democratic Revolutionary Party (PRD) presidential candidate Balbina Herrera, according to Panama City-based polling outfit Dichter and Neira's December poll. Answering the question, "If the 2009 elections were held today, for whom would you vote for President?" 41.3 percent of voters responded Martinelli, up 4.3 points from November. Meanwhile, support for Herrera slid from 33.6 percent to 31.4 percent. In a distant third, Panamenista Party presidential candidate Juan Carlos Varela continued to trail badly polling 18.6 percent in November and dropping

nearly two more points in December to 16.8 percent. Moral Vanguard of the Nation (VMP) presidential candidate and former President Guillermo Endara remained trapped in the political doldrums in three point land, polling 3.3 percent in November and 3.0 percent in December, just barely keeping his head above the poll's 2.9 percent margin of error.

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Voter Intention Holds Steady  
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¶3. (SBU) The number of voters who said they would "definitely vote" held steady at around 73 percent (72.9 percent in November and 73.4 percent in December). Herrera had the highest percent of definite supporters -- 76.4 percent of those who said they supported her said they would "definitively vote" for her -- but definite support for Martinelli and Varela was also in the 70 percent range at 71.7 percent and 74.1 percent respectively. Some 63.9 percent of Endara's supporters said they would definitely vote for him, but, given the small size of the sample of identified Endara supporters, the margin of error was +/- 16.7 percent.

¶4. (SBU) All three major candidate made significant progress locking down their bases increasing the percentages of voters who where "very sure" they would vote for the candidate of their choice. From September to December, the percentage of "very sure" voters rose from 55.7 to 71.5 percent for Martinelli, from 58.8 to 72.4 percent for Herrera, and from 46.5 to 71.1 percent for Varela. Interestingly though, the numbers of voters who were "less sure" or "not sure at all"

also grew for all three major candidates:

	Less Sure		Not Sure At All	
	Sept	Dec	Sept	Dec
Martinelli	4.9	6.3	0.3	2.8
Hererra	3.6	7.2	0.3	3.1
Varela	6.5	7.5	1.5	1.0

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No Apparent Navarro Effect  
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¶5. (SBU) Dichter and Neira's December poll was the first sample in the wake of Herrera's surprise decision to select her former primary opponent Panama City Mayor Juan Carlos Navarro as her running mate. Billed as an effort to unify the PRD, a significant portion of the party, about one-quarter of the general public and one-third of PRD members appear unconvinced. Asked whether Herrera's decision to put Navarro on her ticket would consolidate the PRD, 50.1 percent of all respondents said it would while 36.0 percent said it would not and 13.9 percent neither knew or responded.

Among sympathizers of the PRD -- a party that prides itself on discipline and effective machine politics -- only 61 percent said Herrera's decision would unite the party, 28.7 percent outright said it would not, and 10.3 percent neither knew nor responded. A total of 46.7 percent of all respondents said an opposition party or alliance would win the elections in response to the questions, "With Juan Carlos Navarro as Balbina Herrera's vice president, who do you believe will win the elections in 2009, an opposition alliance or the PRD?" Only 37.8 percent of all respondents said the PRD would win. Among PRD sympathizers only, 63.1 percent said the PRD would win and 26.6 percent said the opposition would

¶6. (C) Comment: PRD leaders cannot be happy with these numbers. In an electorate where half of all voters are registered with a political party and roughly half of registered voters are PRD members, to be successful any presidential campaign must secure significant support from among independent, non-party affiliated voters. Normally a highly disciplined and unified party, the PRD usually only needs a smaller portion of the independent vote than the

opposition needs to secure to win. The statistics laid out in para 6 suggests that, in the wake of the Navarro vice presidential announcement, the PRD still has a fair amount of work to do to consolidate its base, Navarro's candidacy has yet to deliver on the promise of party unity, and the PRD will need to capture more independent votes than it might otherwise and yet may face an uphill battle to do so. Speaking December 17 with POLCOUNS, Martinelli advisor Jimmy Papadimitriu cautioned though, "This campaign is not over, and we have to keep our eye on the ball. The PRD machine is not fully operating yet." Papadimitriu also commented that a significant number of voters was still undecided and that Martinelli by no means had locked up this election.

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Crime and Insecurity Are Voters' Top Immediate Concerns  
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¶7. (SBU) As in Dichter and Neira's November poll, the December poll identified crime (24.5 percent) and insecurity (26.8 percent) as the "principal current problem" that should be "addressed promptly." Trash, the poor state of the streets, and transport came in third, fourth, and fifth place in this late poll. Unemployment and the high cost of living dropped out of the top three issues and fell in at sixth and seventh place in voters' immediate priorities. Asked, however, what they considered to be "the most serious problems the country confronted in 2008," those polled responded: insecurity (35.3 percent), cost of living (26.2 percent, down significantly from 35.9 percent in October), and unemployment (14.9 percent, up slightly from 12.6 percent in November and 14.3 percent in 14.3 percent).

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Technical Data  
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¶8. (SBU) December poll: Dichter and Neira conducted 1,200 interviews of men and women over the age of 18 who are residents of Panama. The poll was conducted nationally, except in the remote and difficult to reach Darien Province

and indigenous people's autonomous regions (comarcas). Interviews were conducted face-to-face in individuals' homes from Friday, November 28 to Sunday, November 30. Sampling was multi-staged the first stage distributed the total sample according to population by province as well as rural and urban precincts (corregimientos), and the second stage blocks were randomly selected and homes were first randomly and then systematically selected. The margin of error for the poll was assessed at +/- 2.9 percent with a confidence level of 95 percent.

¶9. (SBU) November poll: Dichter and Neira conducted 1,200 interviews of men and women over the age of 18 who are residents of Panama. The poll was conducted nationally, except in the remote and difficult to reach Darien Province and the indigenous people's autonomous regions (comarcas). Interviews were conducted face-to-face in individuals' homes from Friday, October 24 to Sunday, October 26. Sampling was multi-staged the first stage distributed the total sample according to population by province as well as rural and urban precincts (corregimientos), and the second stage blocks were randomly selected and homes were first randomly and then systematically selected. The margin of error for the poll was assessed at +/- 2.9 percent with a confidence level of 95 percent.

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Significant Movement Among Opinion Leaders Toward Martinelli  
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¶10. (C) Martinelli's double digit lead -- from any where from 12-15 points -- has been confirmed by polling conducted by other pollsters including IPSOS, Unimer, and CID-Gallup, according to press reporting. Both Herrera and her campaign and the Panamenista party, though not apparently Varela himself, are reacting to the latest unfavorable polling data.

-- For her part, Herrera has shaken up her campaign team shoving aside PRD leftist "tendency (tendencia)" faction leaders like National Assembly Deputies Mitchel Doens and Hector Aleman and bringing in more moderate and even right-wing PRD leaders like former Minister of Agriculture and presidential nomination contender Laurentino Cortizo, former head of the Council for Public Safety and National Defense (CSPDN, known as "El Consejo") Javier Martinez Acha. Other losers in the Herrera campaign shake-up include former Minister of the Presidency Ubaldo Real (a dual U.S.-Panamanian citizen) and President Torrijos' cousin Hugo Torrijos. Aided and abetted by PRD rainmaker Mello Aleman, Herrera's son Virgilio Perpinan has been a force in re-shaping his mother's campaign. Aleman and Perpinan, working with PRD VP candidate Juan Carlos Navarro, are working to bring in Navarro's primary campaign manager, Ivan Gonzalez, to assume control of Herrera's campaign. Panama City businessman and illegitimate son of former strongman Manuel Antonio Noriega Carlos Santiago is also reportedly being brought in to revitalize Herrera's flagging campaign.

-- As for the Panamenistas, Varela has been largely absent from the public stage. Increasingly though, former Panamenista presidential candidate Jose Miguel Aleman confirmed for POLCOUNS on December 17, various Panamenista heavy hitters are seeking their accommodation with Martinelli. "Varela fell into the trap believing that he was the PRD's 'preferred' opposition candidate and believed he could let the PRD take on Martinelli," Aleman explained. "I -- and many other Panamenistas -- would rather be with Martinelli than get in bed with the PRD." Continuing, Aleman added, "Even (former president Mireya) Moscoso is seeking accommodation with Martinelli. I'm reaching out to Martinelli as is (former presidential primary candidate Alberto) Vallarino. The only ones still standing strong with Varela are the party's youth leaders. Varela needs to start doing what the opposition is supposed to do; he needs to start opposing the government." While Aleman neither believes that Varela would step down nor that the Panamenistas would unite with Martinelli's Democratic Change (CD) party, Aleman said he hoped that he could convince Varela not to "obstruct" an opposition victory by Martinelli.

-- As for Varela himself, complaints abound in the Panamenista ranks that Varela has been largely AWOL since the PRD primary victory of Herrera. The only Panamenista sector that is actively supporting Varela at this stage is "Full Varela," his campaign's youth program. (Note: In

Panamanian-Spanglish youth slang, "full" means that one is one hundred percent in support of something.) Voices of support of Varela from other sectors of the party or other party leaders have been notably absent. (Comment: Varela's closest advisors and aides have been drawn from his party's youth movement. These up-and-coming leaders, who see an opportunity to jump ahead of the queue over more senior members of the party, would have the most to lose should Varela's prospects wane.)

11. (C) "My phone will not stop ringing with calls from Panamenistas," Martinelli told POLCOUNS December 18. "Panamenistas are lining up, unasked, to donate money." Martinelli asserted that Panamenista National Assembly Deputy Alcibades Vasquez, a Panamenista Party VP and close ally of Varela, was seeking accommodation with him. Martinelli campaign advisor Jimmy Papadimitriu added that Varela's brother and campaign manager Jose Luis "Popi" Varela was reaching out to Martinelli too. PRD leader and former head of Panama's Council for Public Safety and National Defense (CSPDN, known as "El Consejo") Javier Martinez Acha that President Torrijos, Martinez Acha's boyhood friend, had opened a channel of communication with Martinelli.

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Comment  
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¶12. (C) None of this subterranean movement by political opinion leaders towards Martinelli was picked up in Dichter and Neira's December poll, the fieldwork for which was actually conducted in the last days of November. Post believes that this agency's January polling most likely will reveal further acceleration by Martinelli in the polls, continued erosion of support for Varela, and possibly a recovery for Herrera. Nonetheless, it appears that Martinelli may secure the race he desires: a head-to-head race against Herrera.

STEPHENSON